

AMENDED IN SENATE MAY 26, 1998

AMENDED IN SENATE MAY 20, 1998

**SENATE BILL**

**No. 1528**

**Introduced by Senator Schiff**

February 10, 1998

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An act to add Section 22226 to the Education Code, relating to the State Teachers' Retirement System, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1528, as amended, Schiff. State Teachers' Retirement System: health insurance.

The State Teachers' Retirement Law prescribes retirement and disability benefits for school employees and their families.

This bill would ~~provide that it is the intent of the Legislature~~ *for require* the Teachers' Retirement Board to *conduct a study, as specified, assessing how to* develop a process to contract for health insurance, including vision and dental care, for members, beneficiaries, children, and dependent parents. This bill would also appropriate \$200,000 from the Teachers' Retirement Fund to the board to develop a plan for these purposes, *and if implemented, require the board to reimburse the Teachers' Retirement Fund this sum.*

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. Section 22226 is added to the Education Code, to read:

~~22226. (a) It is the intent of the Legislature that the board develop a process to contract for health insurance. The board shall conduct a study on providing health insurance benefits, including vision and dental care benefits, for active, disabled, and retired members, beneficiaries, children, and dependent parents. The health insurance may include vision and dental care. The board shall charge the participants for the costs of the health insurance and shall recover its administrative costs from the insurance payments.~~

~~(b) The health insurance shall not be considered a part of the benefits provided by the system and no person shall be deemed to have received any vested contractual rights to continued receipt of health insurance provided by the system.~~

*(b) The study shall include, but not be limited to, assessing the lack of access of health insurance benefits for retired teachers and shall evaluate the following:*

*(1) The demand for health insurance benefits.*

*(2) The integration of health insurance benefits and Medicare coverage.*

*(3) The manner in which health insurance benefits would be administered and provided.*

**SEC. 2.—**

(c) There is hereby appropriated from the Teachers' Retirement Fund to the State Teachers' Retirement Board the sum of two hundred thousand dollars (\$200,000) ~~to develop a plan~~ *conduct a study* for the purposes identified in ~~Section 22226 of the Education Code~~ *this section. If this study results in the implementation of health insurance benefits as described in subdivision (a), the State Teachers' Retirement Board shall reimburse the sum of two hundred thousand dollars (\$200,000) to the Teachers' Retirement Fund from*

1 *administrative fees charged to recipients of the health*  
2 *insurance benefits.*

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